Statement-II

Total Quantum of Repayment of Principal and Interest Payment by India to World Bank Since 1991-92 to 1997-98 (*Data provisional*)

Govt. A/C (*Rs. in Crores*)

Year	IBRD	IDA	Principal Total	Interest IBRD	IDA	Total
1991-92	1247.78	356.79	1604.57	1470.30	254.22	1728.52.
1992-93	1795.38	479.23	2274.61	1896.30	338.30	2234.60
1993-94	2216.17	548.31	2764.48	1938.33	357.74	2296.07
1994-95	2369.53	608.47	2978.00	2020.96	382.64	2403.60
1995-96	2718.26	759.29	3477.55	2124.20	437.08	2561.28
1996-97	2648.77	834.04	3482.81	1950.36	465.21	2415.57
1997-98 (prov.)	2730.50	932.72	3663.22	1758.28	482.52	2240.80

Non Govt. A/C (IBRD) (*Rs. in Crores*)

Year	Principal	Interest
1991-92	103.72	186.94
1992-93	125.38	277.28
1993-94	149.15	329.80
1994-95	190.44	421.60
1995-96	369.64	460.89
1996-97	296.22	433.14
1997-98 (prov.)	579.99	432.74

RBI Advice Regarding Flow Credit to Agriculture

2993. SHRI NARENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether R.B.I. has advised scheduled commercial banks to implement the recommendations of high-level committee on flow of credit to agriculture;

(b) is so, what are its salient points and will these measures quicken and simplify the procedure for agricultural credit especially to marginal and poor farmers; and

(c) the percentage of agrigultural credit as also its non-recovery as compared to credit to other sectors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) and (b) Reserve Bank of India (RBI) has reported that it has advised all the scheduled commercial banks vide its circular dated 20th May, 1998 to take appropriate action in respect of a number of recommendations made by the High Level Committee on flow of credit to agriculture. The major recommendations accepted by RBI cover, inter-alia, simplification of procedures regarding loan agreement forms, better pre-sanction appraisal; more delegation of powers to bank branch managers; introduction of annual composite Cash credit limits to agriculture borrowers; designing new loan products; cash disbursement of loans and dispensing with 'No Due Certificate' as a compulsory requirement. It is expected that when these recommendations are implemented, the credit flow to agricultural sector including, *inter-alia*, small and marginal farmers would improve considerably.

(c) The percentage of credit for agricultural and the position of overdues

in respect of Public Sector Banks, as repoted by RBI, is as under:

As on last Friday of	Percentage of outstanding agricultrual advances to Net Bank Credit	Percentage of overdues to demand
March 1996	14.29	40.45
March 1997	16.35	38.17
March 1998	15.72	37.15

Increase in NPAs

2994. SHRI C. O. POULOSE: Will the Minister of FINANCE be pleased to state:

(a) whether the Non-Performing Assests (N.P.A.) of the nationalised banks are increasing very fast, if so, the total NPA of each of these banks and the amount of arrears above three years;

(b) the steps proposed to be taken, to do away with this NPA other than the establishment of asset reconstruction companies as pronounced in budget for 1998-99; and

(c) the details of loanes whose arrears is above Rs. one crore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) A statement showing bank-wise NPAs of nationalised banks for the last three years is given in the Statement *(See below)* RBI's data reporting system does not generate information on NPAs which are in arrears for various slabs of periods.

(b) Banks have been advised to formulate loans recovery policy, reduce NPAs through recovery and negotiation/ settlements, set up recovery cells at Head Offices Take recourse to Debt Recovery Tribunals and while sanctioning loans keep in view the list of defaulters/suit filed accounts. Other steps taken to recover the NPAs are annual discussions with top executive of the nationalised banks, strengthening of credit management, fixing staff accountability etc.

(c) Reserve Bank of India publishes every year, as on 31st March, a list of borrowal accounts against which banks and financial institutions have filed suits for recovery of funds with outstanding of Rs. 1 Crore and above. total number of such accounts for nationalised banks were 1726 having amount of Rs. 6554.86 Crores as on 31.03.97. A copy of this list is available in the Parliament Library.

Statment

Gross NPAs of Nationalied Banks

Name of the Bank	1994-95		1995-96		1996-97	
	Gross NPA	% NPAs to total advances	Gross NPA	% NPAs to total advances	Gross NPA	% of NPAs to total advances
Allahabad Bank	1235.11	26.88	1255.00	23.98	1302.89	23.93
Andhra Bank	377.65	14.30	332.20	11.61	365.68	11.81
Bank of Baroda	2689.68	16.58	2840.09	16.16	3216.00	17.15
Bank of India	2961.00	20.66	2434.00	14.49	2275.00	11.78